

Interest Rates (%)				FX			Commodities US\$		
Australia		Δ bp	AUD/USD	0.7031	0.2%	WTI Crude Oil	98.04	-\$0.51	
90-day Bill	4.84	5	AUD/JPY	111.26	0.2%	Brent Crude Oil	110.00	\$0.41	
3-year Bond	4.93	6	AUD/EUR	0.6259	0.2%	Mogas95*	124.32	-\$2.62	
10-year Bond	5.27	2	AUD/GBP	0.5249	0.1%	CRB Index	415.19	-1.75	
			AUD/NZD	1.2320	-0.3%	Gold	4116.08	-\$2.87	
			AUD/CNY	4.6888	0.3%	Silver	57.43	-\$0.52	
US			EUR/USD	1.1233	0.0%	Iron Ore (61% Fe)**	90.60	-\$0.80	
2-year	4.80	1	USD/JPY	158.24	-0.1%	Iron Ore (26-27 Average)	95.98	-\$0.07	
10-year	5.11	-1	USD/CNY	6.6759	0.0%	Copper	14356.00	-\$64.50	
			RBA Policy			Equities			
			O/N Cash Rate Target		4.60	ASX200	8783	-26	
Other 10-year			Interbank O/N Cash Rate		4.60	Dow Jones	52856	360	
Japan	2.89	-2	Probability of a 25bps Hike in Nov		64.4%	S&P500	7757	45	
Germany	3.42	2	RBA Bond Holdings (30 Sep)		A\$214.7b	Stoxx600	644	6	
UK	5.38	-3				CSI300	4112	-40	

*Mogas95 is the Singapore benchmark petrol price closely linked to Australian domestic fuel prices.

**Iron ore is the second SGX futures contract.

US equities rose for a third consecutive day, led by a rebound in technology shares, particularly semiconductor stocks. Sentiment toward AI and chipmakers was boosted by stronger-than-expected Q3 earnings from Space X, released after Tuesday's close, with its Super Intelligence (AI) business unit reported as its largest source of revenue. US Treasury yields were relatively steady, as was the US dollar against other major currencies.

Oil prices initially rose on reports of further attacks on vessels in the Strait of Hormuz, a strike on a Saudi oil field and news that Washington is preparing to withdraw some staff from its embassies in the Gulf region. Brent crude futures peaked above US\$111 a barrel before slipping back on reports that ceasefire talks involving the US, Russia and Ukraine could resume. However, they have climbed again in early trade today.

In Europe, the Stoxx 600 rose for the first time in three days. European bond yields increased, with the French 10-year government bond yield exceeding 5.0% for the first time since 2002.

Asia-Pacific equities were mixed, with Japanese, South Korean and Taiwanese benchmarks climbing as technology stocks recovered, while mainland Chinese and Hong Kong markets slipped.

At home, the ASX 200 closed higher yesterday but retreated in early trade this morning. Australian bond yields rose, particularly at the long end of the curve, following hawkish comments from RBA Deputy Governor Andrew Hauser yesterday morning. The comments have pushed the likelihood of a Melbourne Cup Day cash rate increase into outright favouritism according to the market, with pricing for a November rise climbing to over 60%. The increase in cash rate expectations has helped lift the AUD against the major currencies.

In commodity markets, iron ore futures continued to trade in a narrow range. Nickel prices jumped to a three-week high on reports of production cuts in Indonesia aimed at supporting prices, after prices fell to their lowest levels of the year earlier in the month. Copper prices dipped but remained not far from record highs, while aluminium edged higher but, like nickel, remained near its 2026 lows.

Jobs and Skills Australia's internet job vacancies index was virtually unchanged for a second consecutive month in September and was up 1.5% YoY. Declines in New South Wales, Victoria and Queensland during the month were offset by strong increases in Western Australia, the Australian Capital Territory and South Australia. With job advertisements steady and unemployment rising in September, the ratio of unemployed people to job ads reached its highest level since February 2021. The ratio has trended gradually higher since 2023 but remains consistent with a relatively robust labour market.

Economic Data Review

- **UK:** CPI (MoM, Sep) – Actual 0.4%, Expected 0.3%, Previous 0.5%.

Economic Data Preview

- **NZ:** CPI (QoQ, Q3) – Expected 0.7%, Previous 1.5%.